

## Conduct of the inquiry

1. On 5 October 1992 the Department of Trade and Industry sent to the MMC the following reference:

Whereas it appears to the Secretary of State that it is or may be the fact that arrangements are in progress or in contemplation which, if carried into effect, will result in the creation of a merger situation qualifying for investigation, as defined in section 64(8) of the Fair Trading Act 1973 ('the Act'), in that:

- (a) enterprises carried on by or under the control of the Gillette Company will cease to be distinct from enterprises carried on by or under the control of Parker Pen Holdings Limited (incorporated in the United Kingdom);
- (b) the value of the assets taken over exceeds £30 million:

Now, therefore, the Secretary of State, in exercise of his powers under sections 69(2) and 75(1) of the Act, hereby refers to The Monopolies and Mergers Commission ('the Commission') for investigation and report within a period ending on 13 January 1993 the following questions:

- (i) whether arrangements are in progress or in contemplation as described in paragraph (a) above which, if carried into effect, will result in the creation of a merger situation qualifying for investigation;
- (ii) if events so require, whether the actual results of those arrangements are the creation of such a situation; and
- (iii) if so, in either case, whether the creation of that situation may be expected to operate or (if events so require) operates against the public interest.

In relation to the questions in paragraph (i) and (ii) above, the Commission shall exclude from consideration one of paragraphs (a) and (b) of section 64(1) of the Act if they find the other satisfied.

(signed) JOHN ALTY  
An Assistant Secretary  
Department of Trade and Industry

5 October 1992

2. The composition of the group of members responsible for the present investigation and report is indicated in the list of members in the preface.
3. Notices inviting interested parties to submit evidence to the MMC were placed in the *Financial Times* and *Retail Newsagent*.
4. In addition we sought evidence and views from trade unions, trade and consumer associations, manufacturers, suppliers, retailers and wholesalers of writing instruments, and a number of other interested parties. Written evidence was received from many of these parties and we held hearings with 14 of them.
5. We received written submissions from Parker and Gillette and held two hearings with each of them. Members of the group, accompanied by staff, visited Parker's factory at Newhaven.
6. Some of the evidence obtained in the course of our inquiry was of a commercially confidential nature and our report contains only such information as we consider necessary for an understanding of our conclusions.
7. We should like to thank all those who helped us in our inquiry, and particularly Gillette and Parker.